



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION II  
290 BROADWAY  
NEW YORK, NEW YORK 10007-1866

April 22, 2014

BY EMAIL AND REGULAR MAIL

William H. Hyatt, Jr., Esq.  
K & L Gates LLP  
One Newark Center, Tenth Floor  
Newark, NJ 07102-5285

Re: Lower Passaic River Study Area Portion of the Diamond Alkali Superfund Site  
Administrative Order on Consent, CERCLA Docket No. 02-2007-2009

Dear Mr. Hyatt:

This letter provides the accounting (Accounting) called for by Paragraph 80.a.vi of the Administrative Settlement Agreement and Order on Consent, CERCLA Docket No. 02-2007-2009, as amended (AOC). The Accounting shows the time charged to the Lower Passaic River Study Area (LPRSA) Cooperating Parties Group (CPG)-lead Remedial Investigation/Feasibility Study (RI/FS) Special Account by the Remedial Project Manager (RPM) and certain other EPA employees, for the period September 1, 2012 to January 22, 2013. The Accounting period begins on the day following the end of the previous accounting period.

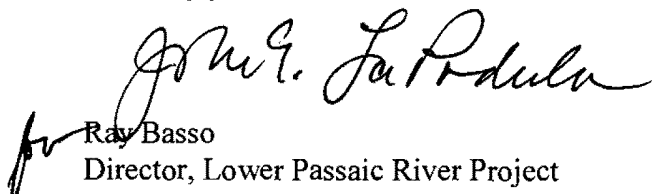
The Accounting consists of a SCORPIOS Report generated by EPA's cost accounting system, and a narrative summary, showing time spent in the relevant period, by Stephanie Vaughn, the RPM for the CPG-lead RI/FS, and Assistant Regional Counsels Patricia Hick and Sarah Flanagan, in performing work that is chargeable as Future Response Costs. Pursuant to Paragraph 80.a.vi, the direct costs incurred and associated indirect costs have been deducted from the \$450,000 and will not appear in any bill for Future Response Costs issued by EPA to the CPG.

This is the final Accounting, pursuant to Paragraph 80.a.ix, of the \$450,000 prepaid under Paragraph 80.a.vi. The three-year period originally covered by the prepaid amount was extended by another six months by agreement of EPA and the CPG, to address the fact that Stephanie Vaughn was on parental leave during the three year period.

As of the final Accounting, a balance of \$39,555.27 remains of the prepaid \$450,000. That amount will be applied to EPA's Future Response Costs under AOC 02-2007-2009 and reflected as a credit on the next bill issued for oversight of the CPG-lead RI/FS under the AOC.

If you have any questions regarding this matter, please contact Sarah Flanagan at (212) 637-3136.

Sincerely yours,

  
for Ray Basso  
Director, Lower Passaic River Project

Enclosures

cc: Bill Potter, demaximis, inc.

Narrative Summary of Costs Incurred by EPA  
09/01/12 through 01/22/13  
Diamond Alkali Superfund Site, Newark, New Jersey  
Operable Unit Three – Lower Passaic River Study Area  
Site ID: 02 96

Payroll

These costs consist of direct EPA personnel charges for time spent by EPA employees in overseeing work performed under the AOC including reviewing CPG technical submissions, meeting and/or conferring with CPG representatives, meeting and/or conferring internally concerning the RI/FS, performing community relations/outreach and coordinating with Partner Agencies. See Section 3 of SCORPIOS Report.

\$ 29,200.57

Indirect Costs

Indirect costs are those costs which are necessary to the operation of the Superfund program and the support of site cleanup efforts, but which cannot be tied directly to the efforts at any one site. Indirect costs are allocated to particular Superfund sites using a methodology established by EPA Headquarters. See Sections 4 and 5 of SCORPIOS Report.

\$ 9,528.16

Total (9/1/12-1/22/13) \$ 38,728.73

Total Drawn Down from Prepaid Oversight Amount of \$450,000 (Final)

7/5/09 – 7/3/10 \$135,069.26

7/4/10 – 6/30/11 \$ 89,588.47

7/1/11 – 8/31/12 \$147,058.27

9/1/12-1/22/2013 \$ 38,728.73

Total \$410,444.73

Balance Remaining (Apply as Credit to Future Response Costs) \$ 39,555.27

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DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

NARRATIVE COST SUMMARY .....	Section 1
ITEMIZED COST SUMMARY .....	Section 2
REGIONAL PAYROLL COSTS .....	Section 3
EPA INDIRECT COSTS SUMMARY .....	Section 4
EPA INDIRECT COSTS .....	Section 5

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Narrative Cost Summary

DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

1. The United States Environmental Protection Agency has incurred at least \$29,200.57 for Regional Payroll Costs.
2. The United States Environmental Protection Agency has incurred at least \$9,528.16 for Indirect Costs.

**Total Site Costs:**

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**\$38,728.73**

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Itemized Cost Summary

DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

REGIONAL PAYROLL COSTS .....	\$29,200.57
EPA INDIRECT COSTS .....	\$9,528.16
Total Site Costs:	<u>\$38,728.73</u>

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## Regional Payroll Costs

DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

## PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
FLANAGAN, SARAH	2012	24	1.50	134.57
		25	11.25	1,009.20
		26	3.25	291.56
		27	0.50	44.64
	2013	01	1.00	89.74
		02	5.50	471.09
		03	1.50	128.47
		04	1.50	128.47
		05	4.50	385.44
		06	5.00	428.26
		07	0.50	44.86
		08	3.50	313.99
			<u>39.50</u>	<u>\$3,470.29</u>
HICK, PATRICIA	2012	25	0.75	73.43
	2013	02	4.25	397.23
		03	10.00	934.67
		05	0.25	23.38
			<u>15.25</u>	<u>\$1,428.71</u>
VAUGHN, STEPHANIE	2012	24	28.00	2,147.12
		25	55.00	4,217.55
		26	26.00	1,993.75
	2013	01	27.00	2,075.67
		02	38.00	2,913.95
		03	23.00	1,763.71
		04	27.00	2,070.45
		05	21.00	1,608.49
		06	48.00	3,517.13
		07	15.00	1,150.24
		08	11.00	843.51
			<u>319.00</u>	<u>\$24,301.57</u>
Total Regional Payroll Costs			<u><u>373.75</u></u>	<u><u>\$29,200.57</u></u>

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## EPA Indirect Costs

DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

## PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

<u>Fiscal Year</u>	<u>Direct Costs</u>	<u>Indirect Rate( %)</u>	<u>Indirect Costs</u>
2012	9,911.82	32.63%	3,234.24
2013	19,288.75	32.63%	6,293.92
	<u>29,200.57</u>		
Total EPA Indirect Costs			<u>\$9,528.16</u>



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## EPA Indirect Costs

DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

## PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
FLANAGAN, SARAH	2012	24	134.57	32.63%	43.91
		25	1,009.20	32.63%	329.30
		26	291.56	32.63%	95.14
		27	44.64	32.63%	14.57
			1,479.97		\$482.92
HICK, PATRICIA	2012	25	73.43	32.63%	23.96
			73.43		\$23.96
VAUGHN, STEPHANIE	2012	24	2,147.12	32.63%	700.61
		25	4,217.55	32.63%	1,376.19
		26	1,993.75	32.63%	650.56
			8,358.42		\$2,727.36
Total Fiscal Year 2012 Payroll Direct Costs:			9,911.82		\$3,234.24
Total Fiscal Year 2012:			9,911.82		\$3,234.24

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
FLANAGAN, SARAH	2013	01	89.74	32.63%	29.28
		02	471.09	32.63%	153.72
		03	128.47	32.63%	41.92
		04	128.47	32.63%	41.92
		05	385.44	32.63%	125.77
		06	428.26	32.63%	139.74
		07	44.86	32.63%	14.64

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## EPA Indirect Costs

DIAMOND ALKALI, NEWARK, NJ SITE ID = 02 96

Operable Unit(s): 03

## PRE-PAID ACCOUNTING

COSTS ARE FROM 09/01/2012 THROUGH 01/22/2013 (PP24/FY12-PP08/FY13)

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
FLANAGAN, SARAH	2013	08	313.99	32.63%	102.45
			1,990.32		\$649.44
HICK, PATRICIA	2013	02	397.23	32.63%	129.62
		03	934.67	32.63%	304.98
		05	23.38	32.63%	7.63
			1,355.28		\$442.23
VAUGHN, STEPHANIE	2013	01	2,075.67	32.63%	677.29
		02	2,913.95	32.63%	950.82
		03	1,763.71	32.63%	575.50
		04	2,070.45	32.63%	675.59
		05	1,608.49	32.63%	524.85
		06	3,517.13	32.63%	1,147.64
		07	1,150.24	32.63%	375.32
		08	843.51	32.63%	275.24
			15,943.15		\$5,202.25
Total Fiscal Year 2013 Payroll Direct Costs:			19,288.75		\$6,293.92
Total Fiscal Year 2013:			19,288.75		\$6,293.92
Total EPA Indirect Costs					\$9,528.16